

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7015

BILL NUMBER: HB 1331

NOTE PREPARED: Jan 16, 2014

BILL AMENDED:

SUBJECT: Elimination of Township Boards.

FIRST AUTHOR: Rep. Smith M

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill abolishes township boards.

It specifies that: (1) in the case of a township board for which the members were elected in 2010, the township board is abolished on January 1, 2015; and (2) in the case of a township board for which the members were elected in 2012, the township board is abolished on January 1, 2017.

It also specifies that after a township board is abolished: (1) the county fiscal body is the fiscal body and legislative body of each township in the county; and (2) the county fiscal body shall exercise the legislative and fiscal powers assigned in the Indiana Code to township boards, including the authority to adopt the township's annual budget and to levy township property taxes for township funds.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill will increase costs for counties by making the county fiscal body the township fiscal and legislative body. County councils may require additional meeting time to establish budgets, consider resolutions, and adopt plans for capital improvements. However, cost savings may result from the elimination of the three-member township boards (in counties outside of Marion County) or seven-member township boards (in Marion County). [Note: Township trustees would remain in place.]

Additional Information: There are a total of 1,006 townships in Indiana, nine of which are in Marion County. The 997 townships outside of Marion County have three member township boards, while those in Marion County have seven member boards. There are an estimated 3,054 township board members statewide.

The number of townships per county varies between four and 21, with the largest number of counties having 12 townships. On average, then, county councils will have to review budgets and be the legislative body for 12 townships

Currently, the township board is the legislative body of the township, and the township trustee is the township executive. The legislative body of a township fixes the salaries for the members of the township board. For 975 townships reporting, the average salary and wages budgeted for FY 2013 township board salaries was \$2,673 per township. The budgeted amounts ranged between \$200 and \$75,000.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Townships, county council.

Information Sources: Gateway for Local Government.

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